

108TH CONGRESS  
2D SESSION

# H. R. 4275

## AN ACT

To amend the Internal Revenue Code of 1986 to permanently extend the 10-percent individual income tax rate bracket.



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1       *Be it enacted by the Senate and House of Representa-*  
2   *tives of the United States of America in Congress assembled,*

1 **SECTION 1. EXTENSION OF 10-PERCENT INDIVIDUAL IN-**  
2 **COME TAX RATE BRACKET.**

3 (a) IN GENERAL.—Clause (i) of section 1(i)(1)(B) of  
4 the Internal Revenue Code of 1986 (relating to the initial  
5 bracket amount) is amended to read as follows:

6 “(i) \$14,000 in the case of subsection  
7 (a),”.

8 (b) INFLATION ADJUSTMENT BEGINNING IN 2004.—  
9 Section 1(i)(1)(C) of such Code (relating to inflation ad-  
10 justment) is amended to read as follows:

11 “(C) INFLATION ADJUSTMENT.—In pre-  
12 scribing the tables under subsection (f) which  
13 apply with respect to taxable years beginning in  
14 calendar years after 2003—

15 “(i) the cost-of-living adjustment used  
16 in making adjustments to the initial brack-  
17 et amount shall be determined under sub-  
18 section (f)(3) by substituting ‘2002’ for  
19 ‘1992’ in subparagraph (B) thereof, and

20 “(ii) such adjustment shall not apply  
21 to the amount referred to in subparagraph  
22 (B)(iii).

23 If any amount after adjustment under the pre-  
24 ceding sentence is not a multiple of \$50, such  
25 amount shall be rounded to the next lowest  
26 multiple of \$50.”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2003.

4 **SEC. 2. REPEAL OF SUNSET.**

5       Title IX of the Economic Growth and Tax Relief Rec-  
6 onciliation Act of 2001 shall not apply to—

7               (1) paragraph (1) of section 1(i) of the In-  
8               ternal Revenue Code of 1986, and

9               (2) the amendments made by paragraphs

10              (1) and (7) of section 101(c) of such Act.

Passed the House of Representatives May 13, 2004.

Attest:

*Clerk.*